

## Message Text

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DRAFTED BY XMB: JAFROTHINGHAM/MPH  
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R 212132Z AUG 78  
FM SECSTATE WASHDC  
TO AMEMBASSY BRUSSELS

UNCLAS STATE 212157

E.O. 11652: N/A

TAGS: EFIN

SUBJECT: FAIREY, S.A., BANKRUPTCY - FCIA CLAIM NO.  
C-1234-J/S-3142

REF: STATE A-4780 OF 11/28/77

1. UNDER ITS EXPORT CREDIT INSURANCE PROGRAM, EXIMBANK  
AND FOREIGN CREDIT INSURANCE ASSOCIATION PAID RAINIER  
BANK, LOS ANGELES ON AUGUST 2, 1978 A CLAIM FOR U.S.  
DOLS. 1,924,758.75. THIS PAYMENT WAS MADE IN ACCORDANCE  
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WITH COVERAGE OUTLINED UNDER REFERENCED A-4780. AS A  
RESULT OF A NOVEMBER 14, 1977 MEETING OF CREDITORS IN A  
COMMERCIAL COURT IN CHARLEROI, FAIREY, S.A. IS BEING  
LIQUIDATED UNDER A CONCORDAT , PROCEDURE.

2. FAIREY, S.A. AND BRITTEN-NORMAN (BEMBRIDGE) LTD.,  
AN ENGLISH COMPANY, ARE BOTH OWNED BY FAIREY, LTD. AND  
JOINTLY MANUFACTURE AND MARKET THE -  
ISLANDER AND TRILANDER COMMERCIAL AIRCRAFT. IN

ADDITION, FAIREY, S.A., WAS A SUB-CONTRACTER UNDER THE F-16 NATO PROCUREMENT PROGRAM.

3. WE UNDERSTAND THAT FAIREY, S.A. WILL BE LIQUIDATED BY

SELLING ITS INTEREST IN THE MILITARY AND CIVILIAN MANUFACTURING DIVISIONS TO SEPARATE BUYERS. THE CIVILIAN SECTOR OF FAIREY, S.A. AND BRITTEN-NORMAN (BEMBRIDGE) LTD. IS EXPECTED TO BE SOLD TO PILATUS AIRCRAFT COMPANY OF SWITZERLAND. THE MILITARY SECTOR HAS BEEN TAKEN OVER BY A NEW BELGIUM COMPANY SONARCA .

4. EXIMBANK/FCIA HAS BEEN UNABLE TO OBTAIN DETAILS FROM THE BELGIUM RECEIVER. SPECIFICALLY, WE WOULD APPRECIATE

IT IF AMEMBASSY COULD CLARIFY THE FOLLOWING POINTS WITH THE BELGIUM RECEIVER.

A) WHAT INDIVIDUAL/S ARE NOW RESPONSIBLE FOR CIVILIAN

AIRCRAFT PRODUCTION AT FAIREY, S.A.?

B) HOW MUCH AND ON WHAT BASIS WAS FAIREY, S.A. COMPENSATED FOR ITS INTEREST IN THE F-16 CONTRACT AND UNCLASSIFIED

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MANUFACTURING FACILITIES USED FOR F-16 PRODUCTION?

C) WHAT IS THE OWNERSHIP SONARCA ?

D. WHAT ARE THE PRESENT LIABILITIES AND ASSETS OF FAIREY, S.A. AND TO WHAT EXTENT IF ANY WILL UNSECURED CREDITORS RECEIVE RECOVERIES?

E) ARE THERE ANY LEGAL PROBLEMS IN CONNECTION WITH THE LIQUIDATION OF FAIREY, S.A.?

5) IT IS ANTICIPATED THAT EXIMBANK REPRESENTATIVES WILL VISIT ENGLAND AND BELGIUM IN SEPTEMBER. HOWEVER, SUCH VISIT TO BELGIUM WILL DEPEND UPON THEIR ABILITY TO MEET WITH THE LIQUIDATOR OF FAIREY, S.A. COULD AMEMBASSY ARRANGE SUCH MEETING?

6) ALTHOUGH RAINIER HAS AGREED TO CONTINUE TO PURSUE THE CLAIM AGAINST FAIREY, S.A., IT IS NECESSARY FOR US TO REGISTER AS CREDITOR IN THE BELGIAN PROCEEDINGS, IN THAT RAINIER HAS ASSIGNED TO US ALL RIGHT, TITLE AND INTEREST IN THE SUMS OF MONEY DUE RAINIER?

7. IT MAY BE OF ASSISTANCE FOR YOU TO CONTACT ATTORNEY

ALBERT RAHIER, AV. ROGER, VANDENDRIESSCHE 41, BRUSSELS,  
WHO IS REPRESENTING FCIA AND RAINIER IN THIS CASE. CHRISTOPHER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EXPORTS, CREDIT, INSURANCE, PROGRAMS (PROJECTS)  
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**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
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